BRITISH COLUMBIA

BC STATS

Service BC
Ministry of Management Services

Infoline

Contact: bcstats.infoline@gov.bc.ca *Issue: 05-21* *May 27, 2005*

- **The number of EI beneficiaries declines 3.4% in March**
- **BC farm cash receipts jump in the first quarter of 2005**
- **Public sector employment in BC unchanged during the first quarter**

The Economy

- **The number of people in British Columbia receiving regular employment insurance (EI) benefits dropped 3.4% (*seasonally adjusted*) in March, to 52,430 individuals.** Nationally, there was a slight increase (+0.8%) in the number of EI beneficiaries. All provinces except those in the west saw the number of EI beneficiaries increase. The number of beneficiaries in Alberta (-2.0%) and Saskatchewan (-1.4%) dropped. Ontario (+1.6%) and Quebec (+1.2%) accounted for a large portion of the increase in recipients across the country.

Data Source: Statistics Canada

Agriculture

- **Farm cash receipts were 8.4% higher in the first quarter of 2005 than in the same period of 2004, reflecting higher revenues from the sale of both crop (+5.0%) and livestock (+6.6%) products.** Cattle (+57.2%) producers recorded the highest year-over-year growth among farmers for the third consecutive quarter. Turkey farmers also received more from sales (+43.1%), while revenues from eggs plunged (-36.7%) for the fourth quarter in a row. Producers of berries & grapes (+29.2%) and floriculture & nursery (+15.9%) products accounted for much of the gain in crop receipts.

  Nationally, farm cash receipts rose 3.4% to a record high of $9.4 billion for the first quarter of 2005, as gains in receipts for livestock (+6.8%) offset a decline in crop receipts (-10.3%). Farm receipts in Alberta, the biggest agriculture province, dropped 3.9% in the first quarter.

Data Source: Statistics Canada

- **Net cash income of farmers in the province increased to $452 million in 2004, up 36.6% from $331 million in the previous year.** Nationally, net cash income rebounded after two years of decreases, jumping 34.4% to $6.3 billion. The increase in farmers' net cash income was wide-spread across the country with the exception of Prince Edward Island (-45.7%). Net cash income for Alberta farmers more than doubled (+130.8%) in 2004, recovering from the effects of the ban on cattle and beef exports to the US in 2003. Farmers in the rest of the Prairies only saw modest growth in cash income.

Data Source: Statistics Canada

Public Sector

- **Public sector employment in BC inched up 0.1% in the first quarter of 2005, compared to the same period of 2004.** The number of British Columbians employed by the government sector edged down 0.2%, as provincial government, health and social service institutions, and local school boards employed fewer people. Government business enterprises (+3.1%) were the source of job creation, as provincial crown companies hired 4.3% more workers.

  At the national level, government employment (comprising federal, provincial/territorial and local) advanced 1.4% compared with the first quarter of 2004, after reaching the highest level in 10 years in 2004. *Data Source: Statistics Canada*

The Red Envelope

- **The percentage of large retailers who offered gift cards went up from 53% at the end of 2003 to 68% during the 2004 Christmas season.** The gift card is a perfect option for people who don't have a gift idea in mind. Meanwhile gift cards are also attractive to retailers, since a large percentage of consumers spend more than double the original face value of their gift cards. *Data Source: SC Catalogue 11-621-MIE, No. 029*

Did you know...
In 2002, 59 BC girls under 15 years old became pregnant, with 14 resulting in live births; In 1974, 174 were pregnant, and 35 had live births.

Business Support Services

- **The business support services industry, particularly telephone call centres, has experienced substantial growth in Canada in the last 25 years, but BC's share of Canadian employment in the industry fell from 11% in 1990 to 8% in 2004.** Quebec experienced the largest decline in employment share, from 26% to 9%, while the share in the Prairies dropped from 17% to 13%. Atlantic Canada has been the main beneficiary of growth in this industry, with its employment share climbing from 5% to 25% between 1990 and 2004.

  National data shows that women dominate jobs in business support services (63%) and that these workers are generally well-educated, with almost 70% having at least some post-secondary education. However, 40% of all employees in the industry have been on the job for less than a year and another 45% have between one and five years experience, suggesting that perhaps many do not consider employment in this sector as a long term career option.

  Data Source: SC catalogue 75-001-XIE vol.6, no.5.

The Nation

- **The index of leading economic indicators rose 0.4% (*seasonally adjusted*) in April, the biggest advance since last fall.** Six of the ten indicators in the index were up, led by durable goods new orders (+1.2%). Furniture and appliance sales (+0.9%) also posted strong growth. Only the housing index declined (-0.2%), retreating from its 25-year high set last July. *Data Source: Statistics Canada*

- **In the first quarter of 2005, Canadian corporations reported a record high of $644.5 billion (*seasonally adjusted*) in operating revenue, 0.7% higher than in the fourth quarter 2004 ($640.2 billion).** Operating profits also advanced 3.4% to $51.5 billion. Revenue in non-financial industries climbed 0.5% to $584.8 billion, while financial industries received $59.7 billion, 2.5% more than the last quarter of 2004.

  Data Source: Statistics Canada

- **Backed by a steady economy, Canadians are spending more on international vacations.** During the first quarter of 2005, Canadian residents spent a record high of $5.5 billion (seasonally adjusted) abroad. On the other hand, foreigners only spent $4.3 billion in Canada, down 0.6% from the all-time high set in the previous quarter. As a result, the international travel deficit ($1.2 billion) reached its highest level since the end of 2003.

  Data Source: Statistics Canada

- **Canadians ate more cereal products and rice but less beef in 2004.** Beef consumption by Canadians fell 4.0% to 13.6 kg per person in 2004. While BSE was partly responsible for the drop, higher beef prices also played an important role.

  On average, each Canadian drank 79.9 litres beer in 2004, posting a third consecutive annual decline. Meanwhile, wine consumption increased to 13.3 litres per person.

  Data Source: Statistics Canada

Trade in Culture Goods – Erratum

Note: Statistics Canada has issued an erratum for data on international trade in culture goods. As a result, the bullet published in the last issue of Infoline contained some incorrect data. The correct information is as follows:

- **In 2004, Canada's trade deficit in culture goods (books, CDs, films, paintings, etc.) widened for the fourth consecutive year.** Shrinking exports of cultural goods (-5.5% to $2.4 billion) accounted for the expanded deficit, as exports of books, newspapers and other printed materials to the US experienced a substantial decline. Imports of culture goods climbed marginally (+1.3%) to $4.6 billion in 2004.

  The United States continued to be the dominant marketplace, accounting for 92% of Canada's culture goods exports, although exports to the US fell 6.7% from 2003. Culture imports from the US edged up to just over $3.5 billion.

  Source: Statistics Canada

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For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

Infoline Report

Issue: 05-21
May 27, 2005

Contact: Lillian Hallin (250) 387-0366

Originally published in *Tourism Sector Monitor*, Issue 05-04. Annual Subscription $60 +GST

Vancouver Island/Coast Development Region

Vancouver Island/Coast is made up of eight regional districts, with the Capital region having the largest number of establishments. Victoria, Nanaimo, Port Alberni and Courtenay are among the urban centres in this region.

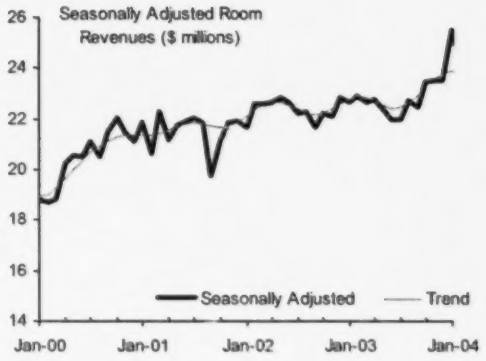
Vancouver Island has the mildest climate in Canada, and its temperate winters and relatively mild summers make it a favoured destination for tourists. The region gives visitors the opportunity to experience a variety of outdoor activities such as whale watching, kayaking, fishing, hiking and city attractions while the higher elevations provide an abundance of snow for ski and snowboard enthusiasts. Visitors can also easily reach the picturesque Gulf Islands, view ancient forests, long beaches and abundant marine life. Vancouver Island also includes remote locations such as Bella Coola, which offer unique opportunities for travellers on the mainland. Travellers can find accommodation to suit most tastes and budgets from luxury resorts to campgrounds.

Vancouver Island/Coast room revenues up in 2004

Room revenues at hotels, motels and other establishments in Vancouver Island/Coast increased 8.2% to $295.2 million in 2004. It is one of four regions that have experienced steady increases in revenues since 2000 (the others being Thompson-Okanagan, Kootenay and Northeast). Northeast leads in terms of room revenue growth since 2000, followed by Thompson-Okanagan, Kootenay and Vancouver Island/Coast.

The region experienced strong average growth (+4.4%) from the turn of the century, with increases well above the rate for the province as a whole (+3.7%).

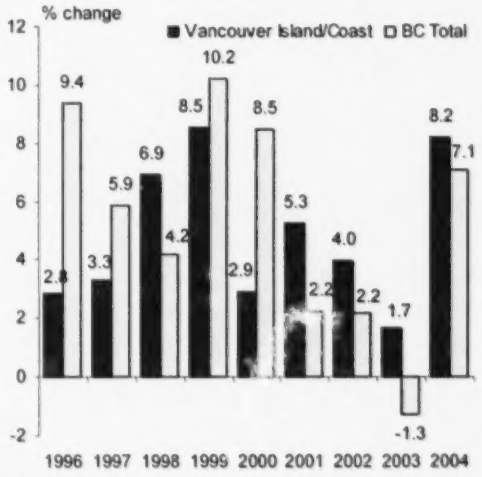
Room revenues soared in 2004



Data Source: BC Stats

The region escaped the post 9/11 slide and the slowdown in 2003 virtually unscathed. Last year was the fourth consecutive year in which Vancouver Island/Coast has outperformed the province in terms of revenue growth.

Growth in the region above the rest of the province in 2004



Data Source: BC Stats

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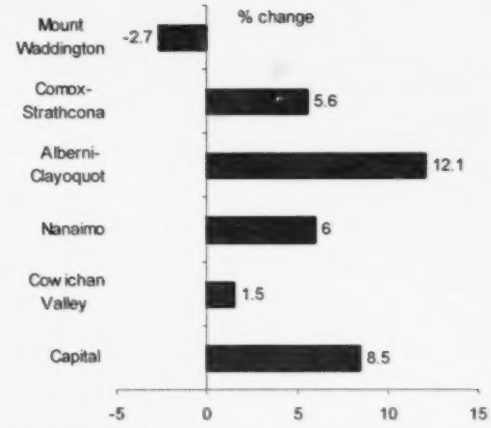
This is a reversal from the period of 1996-2000, when revenue growth in Vancouver Island/Coast lagged behind that of the province in every year except 1998.

The Alberni-Clayoquot region surpassed the Capital region in terms of revenue growth in 2004



Data Source: BC Stats

All regional districts experienced strong growth in 2004 with the exception of Mount Waddington (-2.7%). The data for Powell River and Central Coast is confidential and it can not be released.

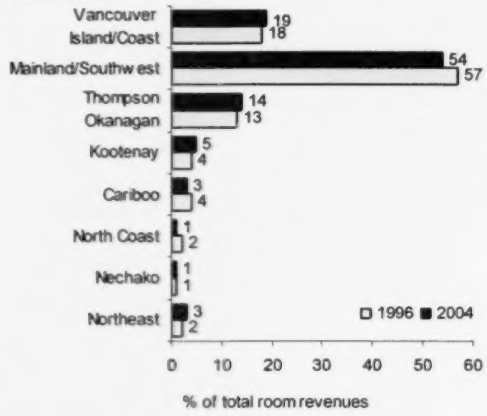
Revenues jumped in Alberni-Clayoquot (+12.1), surpassing the Capital region (+8.5%), due mostly to a strong performance of vacation rentals (+20.8%) in that region. Revenues increased in Nanaimo as well, due to the strong performance of hotels (+18.1%) and vacation rentals (+12.0%) in 2004.

Close to one-fifth of total revenues originate in Vancouver Island/Coast

Last year, Vancouver Island/Coast generated 19% of BC's room revenue about the same as in 2003.

Mainland/Southwest dominates with more than half (55%) of total revenues, but Vancouver Island/Coast remains second in terms of revenue.

Vancouver Island/Coast accounts for the second largest proportion of provincial room revenues



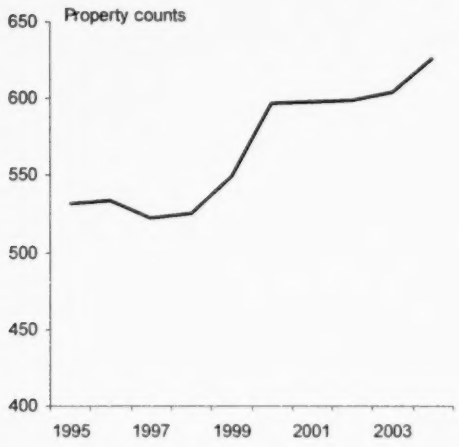
Data Source: BC Stats

Accommodation in the region

In 2004, over 600 properties operated in Vancouver Island/Coast, of which 27% were hotels. The hotels in the region held 52% of the region's rooms and earned 63% of the revenues.

Room numbers and properties did not follow the same growth pattern as room revenues. After a substantial increase in property numbers in 2000 (+8.7%), the number of properties in the region grew at a slower pace. However, last year there were 3.6% more properties and a 3.1% increase in room numbers, which signals increased confidence of business owners in the region's accommodation industry. The jump in property numbers last year is mostly due to more motels (+23.0%), vacation rentals (+21.0%), and small hotels (1-75 rooms, +20.0%).

More accommodation properties in 2004



Data Source: BC Stats

B&Bs have a strong presence in Vancouver Island/Coast, where approximately 13% of all accommodation properties, earning close to 3% of the total revenue, are B&Bs. The market for B&Bs in the Vancouver Island area is well established, possibly because the region has long been a favoured destination for travellers seeking unique lodging alternatives, which offer a much more personalized and cosy atmosphere. The popularity of B&Bs could also be attributed to visitors being interested in learning more about the local lifestyle, which traditional accommodation might not be able to supply. Since 1995 there has been a 24.0% increase in the number of B&B properties and a 30.0% growth in the number of B&B rooms in the region.

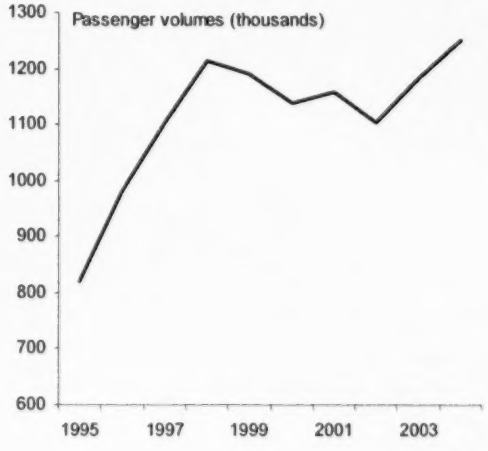
Travel to the Region

One of the main methods of transportation to Vancouver Island and other coastal communities in the region is by ferry. Vancouver Island is well-connected to mainland BC and Washington State by passenger and vehicle ferries. BC Ferries also serves the Gulf Islands and other parts of coastal BC.

BC Ferries were busier in 2004, carrying more passengers (+2.8%) and vehicles (+3.3%) to Vancouver Island. However, overall the number of passengers aboard BC Ferries has dropped (-2.0%) to 21.9 million since 1995. There were 2.8% more vehicles aboard BC Ferries relative to 1995.

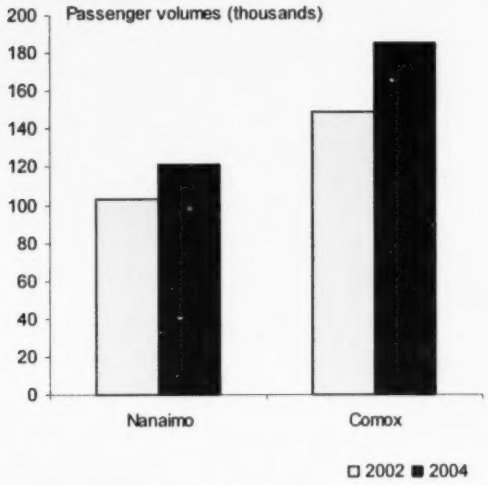
Victoria, Nanaimo and other centres in the region are serviced by commercial as well as charter airlines. There has been spectacular growth in the number of passengers using the Victoria International Airport (+52.4%) since 1995.

Strong growth in the number of passengers to Victoria Airport in the last ten years



The number of passengers travelling through regional airports has also increased. The Comox airport is the busiest regional airport, followed by Nanaimo and Campbell River. Passenger traffic at the Comox Valley airport, which serves the north and central part of the Island, increased (+24.3%) to over 184,900 travellers in 2004.

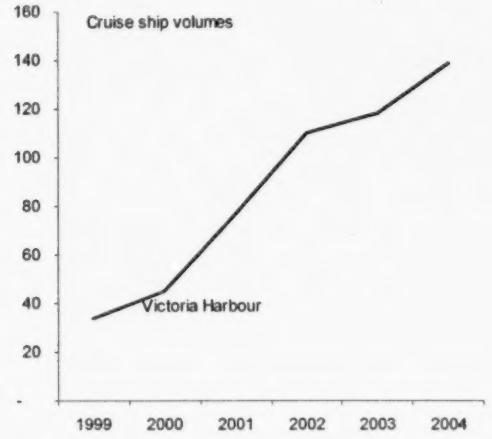
Strong growth in the number of passengers at Comox airport



Data Source: Regional Airport Authority

The number of passengers at the Nanaimo airport soared (+17.8%) in 2004. No figures are available for Campbell River for 2004.

Strong growth in the number of cruise ships to Victoria Harbour



Data Source: Greater Victoria Harbour Authority

There has been phenomenal growth (+208.8%) in the number of cruise ships coming to Victoria Harbour since 2000. Victoria welcomed close to 41% more cruise ship passengers, travelling on 139 ships in 2004. The increase brings a definite boost to tourist attractions, port authorities and businesses in general from spending by cruise ship passengers.

Infoline

May 27 2005

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also on the Internet at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Jan 1/05	% change on one year ago
BC	4,220.0	1.1
Canada	32,078.8	0.9
GDP and INCOME		
(BC - at market prices)	2004	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	156,481	7.5
GDP *($ 1997 millions)*	138,783	3.9
GDP *($ 1997 per Capita)*	33,072	2.8
Personal Disposable Income *($ 1997 per Capita)*	20,002	1.2
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Mar	3,581	-0.1
Merchandise Exports - Mar	2,605	-2.5
Retail Sales - Mar	4,134	0.8
CONSUMER PRICE INDEX		12-month avg
(all items - 1992=100)	Apr '05	% change
BC	124.9	2.3
Canada	126.9	2.2
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Apr '05	prev. month
Labour Force - BC	2,251	0.1
Employed - BC	2,114	0.6
Unemployed - BC	137	-7.1
		Mar '05
Unemployment Rate - BC *(percent)*	6.1	6.5
Unemployment Rate - Canada *(percent)*	6.8	6.9
INTEREST RATES (percent)	May 25/05	May 26/04
Prime Business Rate	4.25	3.75
Conventional Mortgages - 1 year	4.85	4.55
- 5 year	5.95	6.50
US/CANADA EXCHANGE RATE	May 25/05	May 26/04
(avg. noon spot rate) Cdn $	1.2640	1.3704
US $ *(reciprocal of the closing rate)*	0.7913	0.7297
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Apr '05	one year ago
BC	700.56	3.6
Canada	699.65	3.0

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

High Tech Profile

The high technology sector is a growing part of British Columbia's diverse economy, offering the prospect of strong economic growth in the years to come as well as a local source of technology inputs to the province's resource-based industries.

The profile report is a joint project of BC Stats and Leading Edge BC.

On-line at

www.bcstats.gov.bc.ca/data/bus_stat/busind/hi_tech/HTPcurr.pdf

Released this week by BC STATS

- High Tech Quarterly, 4th Quarter 2004
- Consumer Price Index, April 2005
- Business Indicators, May 2005
- Current Statistics, May 2005

Next week

- Tourism Sector Monitor, May 2004

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